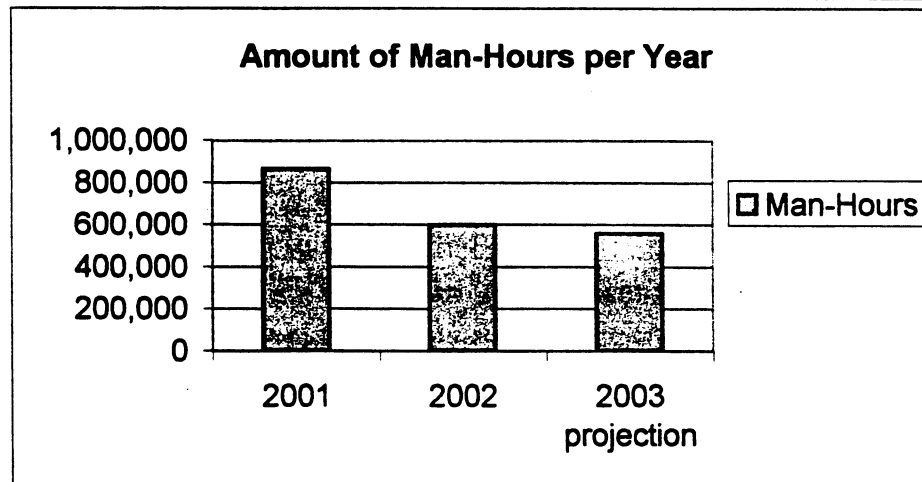
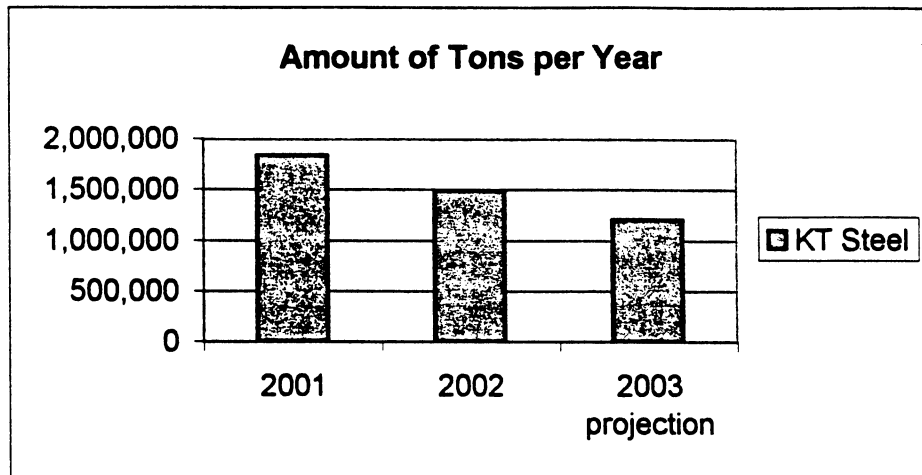
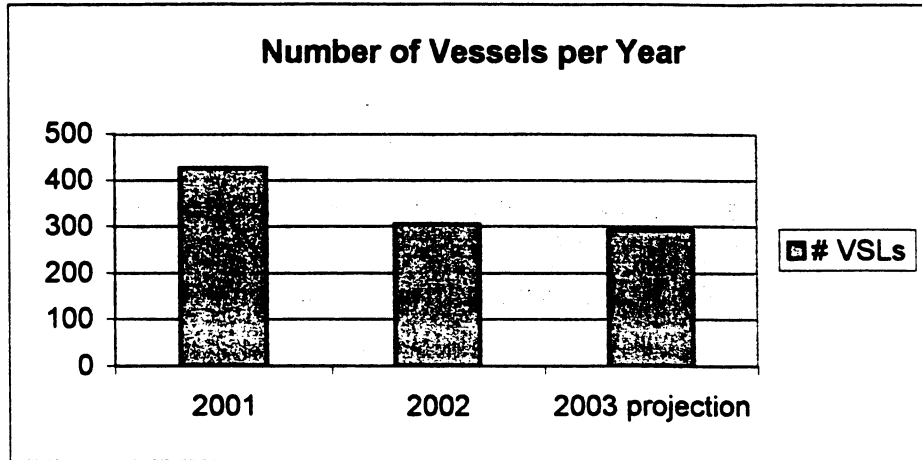


ITC Investigation 332-452

Tariff Impact in Ports of Los Angeles & Long Beach

Year	# VSLs	KT Steel	Man-Hours
2001	425	1,838,326	863,931
2002	305	1,489,776	597,743
2003 projection	292	1,204,396	557,108
2003, 1st Qtr	73	301,099	139,277



ITC Investigation 332-452
June 19th 2003

Good (Morning or afternoon) commissioners. My name is Tim Tess and I am the Vice President of Administration for Pasha Stevedoring & Terminals in the Port of Los Angeles, California. I would first like to thank you for allowing me the opportunity to present testimony at this public hearing regarding our opinion on the safeguard measures.

The safeguard measures, which were implemented April 1, 2002, had severe and far-reaching impacts on our company and many others in and around the Port of Los Angeles and the Port of Long Beach. These companies rely on the movement of steel products into and out of the port for their livelihood.

The reduction, and in some cases the elimination of these cargos, has caused great concern in the local areas. The following are just a few examples of those who have been affected by the safeguard measure and in turn the reduction in steel imports. Less imported steel means less vessel calls, which translates to less demands for pilots and tugs. Fewer vessel calls means less demands on local fuel dealers for bunkers. Decreases in vessel calls result in decreases in revenues to the ports and their cities. Less cargo movement decreases demand for ILWU labor as well as management staffing. Less cargo decreases demand for inland transportation (i.e. reduction in loading and trucking of cargo). Less vessel calls demand less vessel agencies and less customs house brokers. These are but a few who are indirectly affected but still suffer the effects.

As for our Stevedore & Terminal operation in the port of Los Angeles, the impact has been anything but indirect. Pasha Stevedoring and Terminals is an American owned family business. It has operated in the Port of Los Angeles for over 25 years. In 2002 our imports of steel covered under the safeguard measure decreased by 13% from 2001. The first quarter of 2003 appears to be continuing in this reduced rate and shows a total of 30% off of what was shipped in 2001. This resulted in a dramatic decrease in vessels, which called at our terminal. In 2001 we had 261 vessel calls and in 2002 it dropped to 167 vessel calls for the year. So far this year we are on pace to

have only 148 vessels call at our terminals which equates to a 58% decrease in vessel calls from our 2001 volume.

The same is true for labor demands. In 2001 we employed approximately 684,000 man-hours for the year. In 2002 it dropped to 496,000 man-hours or 28% decrease. In the first quarter of 2003 the trend continues and could drop to 33% from our 2001 figures. To put it another way, wages paid in 2001 decreased from \$58,390,000 to \$ 42,078,400 in 2002 and are now on pace in 2003 to decrease to \$39,603,200.

One must remember that these are only figures for the Port of Los Angeles. The figures received from other companies, which work in the Port of Long Beach are equally dramatic. They show that steel tonnage decreased 24% from 2001 to 2002 and the first quarter of 2003 shows projected decreases of another 20% from 2002. While the amount of vessel calls has only decreased 12% from 2001 to present, the amount of man hours used in these operations has dropped 31% from 2001 to 2002 and continues in the first quarter of 2003 and other 3%.

The following is the impact of both Port of Los Angeles and Port of Long Beach combined. As seen on the following graphs: Total tonnage decreased 19% in 2002 from 2001 and 34% in the projection of 2003 from 2001. Man-hours dropped 31% in 2002 from 2001 and 36% in the projection of 2003 from 2001. Vessel calls were reduced by 28% in 2002 from 2001 and 31% in the projection of 2003 from 2001. This proves the dramatic impact on the local economy as a result of the safeguard measures.

I trust that this brief has given the commission enough of an over view so that they may make informed decisions. These are hard numbers with real dollar impact to the local population. I welcome any and all questions regarding this issue.

Sincerely

Tim Tess
Vice President of Administration
Pasha Stevedoring & Terminals